

1 Introduction

Historical Simulator plug-in allows you to simulate underlying asset trajectories by using historical time series (i.e. stored in CSV files on the file system). Possible applications can be to check the behaviour of a deal using historical realizations, or to build cases where Monte Carlo simulation is mixed with deterministic trajectories.

2 How to use the plug-in

In the Fairmat user interface when adding a new stochastic process you will find the additional option *Historical Simulator*. The process input parameters (See also Figure 1) are the following:

- **File path:** the source file where the historical series are memorized
- **Start date:** the date D , within the input file which will be used as reference for the forward simulation starting at Simulation Start Date S . In practice, the simulator translates forward the stock prices of $S - D$ days.

2.1 File Format details

In the actual version of the plug-in, time series must be defined on CSV files (using spaces, tabs or semicolon as separators).

```
01/01/2010 100.1 1203.2 43.4
02/01/2010 102.3 1213.0 43.7
03/01/2010 101.2 1209.1 43.8
...
```

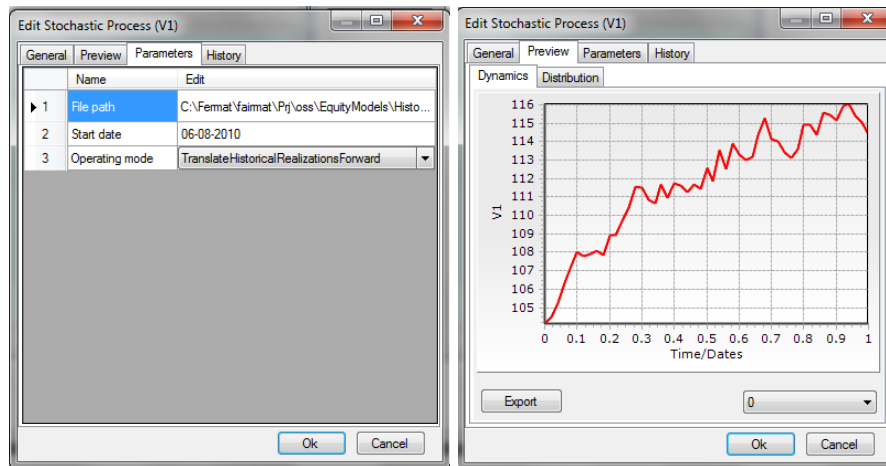


Figure 1: Historical Simulator GUI: input parameters editor and preview.